



CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

September 24, 2008

H.R. 6642 **National Consumer Cooperative Bank Act Amendments of 2008**

*As ordered reported by the House Committee on Financial Services
on September 16, 2008*

H.R. 6642 would allow the National Consumer Cooperative Bank (NCB) to apply for federal assistance through the Community Development Financial Institutions (CDFI) fund of the Department of Treasury. This legislation would not guarantee assistance to NCB or authorize additional amounts to the CDFI program. As such, CBO estimates that enacting this legislation would have no significant effect on the federal budget.

H.R. 6642 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act and would not affect the budgets of state, local, or tribal governments.

NCB is a federally chartered corporation that serves more than 2,600 members and manages about \$6.2 billion in assets. NCB Capital Impact, a nonprofit subsidiary of NCB, provides financing, technical assistance, and other development services to underserved communities.

The CDFI program provides grants and other financial assistance to organizations that encourage growth in low-income communities. Currently, NCB Capital Impact does not meet statutory eligibility criteria for such assistance due to the corporate structure of its parent organization (NCB), and thus is not eligible to apply for assistance. This legislation would grant eligibility to NCB and its subsidiaries unless the bank received other incentives through the Bank Enterprise Awards program (also operated by the CDFI fund) following enactment.

The CBO staff contact for this estimate is Daniel Hoople. This estimate was approved by Peter H. Fontaine, Assistant Director for Budget Analysis.